



MEMORANDUM

January 13, 2023

TO: Board of Directors, Colorado Water Conservation Board, and Rebecca Mitchell, Director

FROM: Keith McLaughlin, Executive Director

RE: Colorado Water Resources & Power Development Authority (“Authority”)- Director’s Report

Drinking Water Revolving Fund (DWRF)

There is currently one (1) outstanding, approved DWRF Bipartisan Infrastructure Law (BIL) loan with an approximate total of \$38.5 million remaining to be executed. In 2022, we closed a total of seven (7) design and engineering loans, for approximately \$1.5 million, and twelve (12) direct loans, for approximately \$104 million. Of that amount, three (3) were BIL loans consisting of approximately \$47.34 million of BIL PF and \$42.27 million of BIL Loan. There is approximately \$5.08 million remaining in the 2022 DWRF BIL General Supplemental pot. The SRF program held 37 DWRF pre-qualification meetings in 2022. The 2023 project eligibility list contains 510 projects for an estimated need of approximately \$25 billion.

The DWRF loan capacity for 2023 is approximately \$60-80 million (including BIL infrastructure funds). The Authority received the following 2022 Federal Fiscal year DWRF BIL capitalization grant awards on September 29, 2022: General Supplemental in the amount of \$35,550,000 (which consists of approximately \$18.13 million in loan and \$17.42 million in principal forgiveness (PF)), Emerging Contaminants in the amount of \$14,927,000 (which is 100% PF), and Lead Service Line Replacement in the amount of \$56,015,000 (which consists of approximately \$28.57 million in loan and \$27.45 million in PF).

Water Pollution Control Revolving Fund (WPCRF)

One (1) BIL WPCRF loan application has been submitted for the Authority’s 2023 January Board meeting – Town of Lake City, in the amount of \$3,016,500, comprised of \$1.5 million BIL principal forgiveness, \$1,377,551 BIL loan, and \$138,949 Base loan. The City’s project consists of wastewater treatment facility upgrades.

There are currently three (3) outstanding, approved WPCRF loans with an approximate total of \$6.8 million remaining to be executed (of that amount, \$3.8 million is BIL PF/Loan funds). In 2022, we closed a total of two (2) design and engineering loans, for approximately \$224 thousand, and fourteen (14) direct/leveraged loans, for approximately \$156 million. Of that amount, three (3) were BIL loans consisting of approximately \$3.44 million of BIL PF and \$3.16 million of BIL Loan. There is approximately \$1.67 million remaining in the 2022 WPCRF BIL General Supplemental pot. The SRF program held 32 WPCRF pre-qualification meetings in 2022. The 2023 project eligibility list contains 363 projects for an estimated need of approximately \$16 billion.

The WPCRF loan capacity for 2023 is approximately \$25-45 million (including BIL infrastructure funds). The Authority received the following 2022 Federal Fiscal year WPCRF BIL capitalization grant awards on September 29 and 30, 2022, respectively: General Supplemental in the amount of \$14,236,000 (which consists of approximately \$7.26 million in loan and \$6.98 million in principal forgiveness (PF)), and Emerging Contaminants in the amount of \$747,000 (which is 100% PF).

Legislative Matters

The Authority's Eligibility List Joint Resolution was introduced in the House on January 12, and we expect it will be calendared in the House Agriculture, Water and Natural Resources committee in the next couple of weeks. Representative McCormick, Representative Catlin and Senator Roberts have agreed to sponsor the Authority's Joint Resolution.

On December 2, 2022, Governor Polis reappointed Chris Treese to represent the Main Stem of the Colorado Basin and appointed Bruce Whitehead to represent the San Miguel-Dolores-San Juan Drainage basin on the Authority Board. Both appointees will need to be confirmed by the Senate.

Future Authority Board Meetings

January 25, 2023- In conjunction with the CWC annual convention, hybrid format

March 3, 2023 – Denver, hybrid format

April 21, 2023 – Denver, hybrid format

June 2, 2023 – Location TBD